

## Message Text

UNCLASSIFIED

PAGE 01 BEIRUT 09035 011034Z

12

ACTION NEA-16

INFO OCT-01 EUR-25 ISO-00 CIAE-00 DODE-00 PM-07 H-03

INR-11 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03

SS-20 USIA-15 AID-20 COME-00 EB-11 FRB-03 TRSE-00

XMB-07 OPIC-12 CIEP-03 LAB-06 SIL-01 OMB-01 STR-08

CEA-02 DRC-01 /192 W

----- 063280

R 010903Z AUG 74

FM AMEMBASSY BEIRUT

TO SECSTATE WASHDC 9384

INFO AMEMBASSY LONDON

UNCLAS BEIRUT 9035

E.O. 11652: N/A

TAGS: EFIN, LE

SUBJECT: ANTI-INFLATION MEASURES BY CENTRAL BANK CONTRIBUTE  
TO STRENGTHENING POSITION OF US DOLLAR

1. THE CENTRAL BANK HAS PUT THROUGH CERTAIN "ANTI-INFLATIONARY MEASURES" WHICH, WHILE NOT DESCRIBED AS SUCH, WERE MEASURES ALSO INTENDED TO STRENGTHEN THE POSITION OF THE US DOLLAR AND IN FACT HAVE DONE SO TO A SLIGHT DEGREE ALREADY. (TH DOLLAR IS PRESENTLY UP FROM A RECENT LOW OF LL 2.24 TO ABOUT LL 2.28) THEY INCLUDE FORBIDDING PAYMENT OF INTEREST ON LEBANESE POUND DEPOSITS OF NON-RESIDENTS AND EXEMPTING ALL LOANS DENOMINATED IN FOREIGN CURRENCIES FROM RECENTLY IMPOSED ADDITIONAL RESERVE REQUIREMENTS. MOREOVER FOREIGN EXCHANGE LIABILITIES OF THE BANKS WILL BE GRADUALLY EXEMPTED FROM MINIMUM RESERVE REQUIREMENTS.

2. ANOTHER MEASURE TAKEN AT THE SAME TIME, EFFECTIVE AUGUST 1, OBLIGES THE BANKS TO ASK FOR A 15 PERCENT INTEREST-FREE DEPOSIT ON CREDITS OPEN FOR IMPORTERS, WHICH THE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BEIRUT 09035 011034Z

MERCHANT COMMUNITY QUITE EXPECTEDLY HAS BEEN VIGOROUSLY

PROTESTING.  
GODLEY

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CENTRAL BANK, ANTIINFLATIONARY PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BEIRUT09035  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740209-0682  
**From:** BEIRUT  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740883/aaaactri.tel  
**Line Count:** 63  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION NEA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** WorrelSW  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20 JUN 2002 by reddocgw>; APPROVED <22 JAN 2003 by WorrelSW>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ANTI-INFLATION MEASURES BY CENTRAL BANK CONTRIBUTE TO STRENGTHENING POSITION OF US DOLLAR  
**TAGS:** EFIN, LE  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005